

Section 3

Financial position and performance

13. FINANCIAL POSITION AND PERFORMANCE

Summary of Financial Information

BUMRUNGRAD HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES COMPARED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER

Unit: Thousand Baht

	2017	%	2016	%	2015	%
ASSETS						
Current assets						
Cash and cash equivalents	2,470,437	10.52	5,154,161	24.16	5,054,160	23.73
Short-term investments	5,797,889	24.69	1,523,300	7.14	2,305,800	10.83
Trade and other receivables	1,818,549	7.74	1,695,473	7.95	2,318,422	10.89
Inventories	307,839	1.31	310,014	1.45	309,074	1.45
Prepaid expenses	111,063	0.47	107,059	0.50	75,047	0.35
Other current assets	44,554	0.19	12,631	0.06	25,775	0.12
Total current assets	10,550,331	44.92	8,802,638	41.26	10,088,278	47.37
Non-current assets						
Investments in associates	219,859	0.94	236,280	1.11	234,067	1.10
Other long-term investments	1,700	0.01	1,700	0.01	1,700	0.01
Property, plant and equipment	11,784,244	50.18	11,579,033	54.28	10,472,112	49.17
Intangible assets	500,159	2.13	315,047	1.48	163,386	0.77
Goodwill	111,010	0.47	121,709	0.57	122,585	0.58
Deferred tax assets	291,189	1.24	252,698	1.18	193,005	0.91
Other non-current assets	25,463	0.11	23,849	0.11	22,385	0.11
Total non-current assets	12,933,624	55.08	12,530,316	58.74	11,209,240	52.63
TOTAL ASSETS	23,483,955	100.00	21,332,954	100.00	21,297,518	100.00

BUMRUNGRAD HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
COMPARED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER

Unit: Thousand Baht

	2017	%	2016	%	2015	%
LIABILITIES AND SHAREHOLDERS' EQUITY						
Current liabilities						
Trade and other payables	856,977	3.65	875,614	4.10	830,045	3.90
Current portion of long-term loan and interest payable to a related party	187,628	0.80	-	-	-	-
Accrued physicians' fees	626,327	2.67	596,925	2.80	713,255	3.35
Current portion of long-term debenture	998,570	4.25	-	-	1,497,145	7.03
Accrued expenses	507,865	2.16	447,320	2.10	577,255	2.71
Income tax payable	393,549	1.68	364,574	1.71	372,555	1.75
Other current liabilities	75,975	0.32	73,663	0.35	66,201	0.31
Total current liabilities	3,646,891	15.53	2,358,096	11.06	4,056,456	19.05
Non-current liabilities						
Long-term loans from and interest payable to a related party	-	-	185,294	0.87	182,869	0.86
Long-term loans from and interest payable to an unrelated party	18,127	0.08	19,649	0.09	-	-
Long-term debentures – net of current portion	2,489,672	10.60	3,484,541	16.33	3,481,009	16.34
Deferred tax liability	48,118	0.21	4,911	0.02	-	-
Provision for long-term employee benefits	576,197	2.45	492,515	2.31	476,694	2.24
Total non-current liabilities	3,132,114	13.34	4,186,910	19.62	4,140,572	19.44
Total liabilities	6,779,005	28.87	6,545,006	30.68	8,197,028	38.49

BUMRUNGRAD HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
COMPARED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER

Unit: Thousand Baht

	2017	%	2016	%	2015	%
Shareholders' equity						
Share capital						
Registered						
921,339,320 ordinary shares of Baht 1 each (2016: 921,296,022 ordinary shares of Baht 1 each, 2015: 921,276,022 ordinary shares of Baht 1 each)	921,339		921,296		921,276	
1,363,365 preference shares of Baht 1 each (2016: 1,406,663 preference shares of Baht 1 each, 2015: 1,426,663 preference shares of Baht 1 each)	1,363		1,407		1,427	
Issued and paid-up						
728,688,857 ordinary shares of Baht 1 each (2016: 728,645,559 ordinary shares of Baht 1 each, 2015: 728,625,559 ordinary shares of Baht 1 each)	728,689	3.10	728,645	3.42	728,625	3.42
1,363,365 preference shares of Baht 1 each (2016: 1,406,663 preference shares of Baht 1 each, 2015: 1,426,663 preference shares of Baht 1 each)	1,363	0.01	1,407	0.01	1,427	0.01
Premium on ordinary shares	285,568	1.22	285,568	1.34	285,568	1.34
Convertible bonds treated as equity securities	550,000	2.34	550,000	2.58	550,000	2.58
Retained earnings						
Appropriated - statutory reserve	92,275	0.39	92,275	0.43	92,275	0.43
Unappropriated	14,665,125	62.44	12,657,987	59.33	10,799,082	50.71
Other components of shareholders' equity	79,358	0.34	157,973	0.74	278,708	1.31
Equity attributable to owners of the Company	16,402,378	69.84	14,473,855	67.85	12,735,685	59.80
Non-controlling interests of the subsidiary	302,572	1.29	314,093	1.47	364,805	1.71
Total shareholders' equity	16,704,950	71.13	14,787,948	69.32	13,100,490	61.51
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	23,483,955	100.00	21,332,954	100.00	21,297,518	100.00

BUMRUNGRAD HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
INCOME STATEMENTS
FOR THE YEARS ENDED 31 DECEMBER

Unit: Thousand Baht

	2017	%	2016	%	2015	%
Revenues						
Revenues from hospital operations	18,279,349	98.67	17,850,739	98.48	17,600,266	98.16
Rental income	66,888	0.36	63,934	0.35	60,140	0.34
Interest income	103,251	0.56	113,304	0.63	137,949	0.77
Exchange gains	-	-	22,435	0.12	45,961	0.26
Other income	77,098	0.41	75,383	0.42	85,124	0.47
Total revenues	18,526,586	100.00	18,125,795	100.00	17,929,440	100.00
Expenses						
Cost of hospital operations	10,459,826	56.46	10,410,076	57.43	10,484,365	58.47
Administrative expenses	3,128,945	16.89	3,124,888	17.24	3,020,248	16.85
Exchange losses	9,172	0.05	-	-	-	-
Total expenses	13,597,943	73.40	13,534,964	74.67	13,504,613	75.32
Profit before share of profit from investments in associates, finance cost and income tax expenses	4,928,643	26.60	4,590,831	25.33	4,424,827	24.68
Share of profit (loss) from investments in associates	3,547	0.02	2,212	0.01	12,515	0.07
Profit before finance cost and income tax expenses	4,932,190	26.62	4,593,043	25.34	4,437,342	24.75
Finance cost	(149,855)	(0.81)	(215,165)	(1.19)	(186,504)	(1.04)
Profit before income tax expenses	4,782,335	25.81	4,377,878	24.15	4,250,838	23.71
Income tax expenses	(840,958)	(4.54)	(773,846)	(4.27)	(823,318)	(4.59)
Profit for the year	3,941,377	21.27	3,604,032	19.88	3,427,520	19.12
Profit attributable to:						
Equity holders of the Company	3,943,889	21.28	3,626,174	20.00	3,435,834	19.17
Non-controlling interests of the subsidiary	(2,512)	(0.01)	(22,142)	(0.12)	(8,314)	(0.05)
	3,941,377	21.27	3,604,032	19.88	3,427,520	19.12

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**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED 31 DECEMBER**

(Unit: Thousand Baht)

Consolidated financial statements												
Equity attributable to owners of the Company												
						Other components of shareholders' equity						
						Other comprehensive income						
						Exchange differences						
Issued and paid-up share capital		Premium on ordinary shares	Convertible bonds treated as equity securities	Retained earnings		on translation of financial statements in foreign currencies	Other paid-in capital of an associate	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity	
Ordinary shares	Preference shares			Appropriated	Unappropriated							
Balance as at 1 January 2016	728,626	1,427	285,568	550,000	92,275	10,799,083	26,535	252,173	278,707	12,735,686	364,804	13,100,490
Profit for the year	-	-	-	-	-	3,626,174	-	-	-	3,626,174	(22,142)	3,604,032
Other comprehensive income for the year	-	-	-	-	-	17,094	(120,735)	-	(120,735)	(103,641)	(29,968)	(133,610)
Total comprehensive income for the year	-	-	-	-	-	3,643,268	(120,735)	-	(120,735)	3,522,533	(52,111)	3,470,422
Preference shares converted to ordinary shares	20	(20)	-	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	(1,751,864)	-	-	-	(1,751,864)	-	(1,751,864)
Issuance of ordinary shares of a subsidiary	-	-	-	-	-	-	-	-	-	-	1,399	1,399
Interest paid for convertible bonds treated as equity securities	-	-	-	-	-	(32,500)	-	-	-	(32,500)	-	(32,500)
Balance as at 31 December 2016	728,646	1,407	285,568	550,000	92,275	12,657,987	(94,200)	252,173	157,972	14,473,855	314,093	14,787,948
Balance as at 1 January 2017	728,646	1,407	285,568	550,000	92,275	12,657,987	(94,200)	252,173	157,972	14,473,855	314,093	14,787,948
Profit for the year	-	-	-	-	-	3,943,889	-	-	-	3,943,889	(2,512)	3,941,377
Other comprehensive income for the year	-	-	-	-	-	(42,784)	(35,221)	(43,393)	(78,615)	(121,398)	(9,008)	(130,407)
Total comprehensive income for the year	-	-	-	-	-	3,901,105	(35,221)	(43,393)	(78,615)	3,822,491	(11,521)	3,810,970
Preference shares converted to ordinary shares	43	(43)	-	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	(1,861,467)	-	-	-	(1,861,467)	-	(1,861,467)
Interest paid for convertible bonds treated as equity securities	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	(32,500)	-	-	-	(32,500)	-	(32,500)
Balance as at 31 December 2017	728,689	1,363	285,568	550,000	92,275	14,665,125	(129,422)	208,779	79,358	16,402,378	302,572	16,704,950

BUMRUNGRAD HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
CASH FLOW STATEMENTS
FOR THE YEARS ENDED 31 DECEMBER

	Unit: Thousand Baht		
	2017	2016	2015
Cash flows from operating activities			
Profit before tax	4,782,335	4,377,878	4,250,838
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities: -			
Depreciation and amortisation	1,205,912	1,138,686	1,044,744
Bad debts and allowance for doubtful accounts	80,591	140,905	74,967
Reduction of inventory to net realizable value	368	(1,261)	993
Loss on sales and write-off of equipment	(2,124)	1,713	10,961
Provision for long-term employee benefits	87,048	86,735	76,054
Allowance for loss on impairment of assets (reversal)	886	-	-
Share of profit from investments in associates	(3,547)	(2,213)	(12,515)
Interest income	(103,251)	(113,304)	(137,948)
Amortisation of debenture issuing costs to interest expense	3,701	6,387	6,173
Interest expense	146,154	208,779	180,331
Profit from operating activities before changes in operating assets and liabilities	6,198,073	5,844,305	5,494,598
Operating assets (increase) decrease			
Trade and other receivables	(182,120)	482,044	(868,177)
Prepaid expenses	(4,003)	(32,012)	(8,559)
Inventories	1,807	322	(18,186)
Other current assets	(227)	13,144	(7,677)
Other non-current assets	(1,615)	(1,464)	2,558
Operating liabilities increase (decrease)			
Trade and other payables	36,554	(5,473)	(2,662)
Accrued physicians' fee	29,401	(116,330)	175,601
Accrued expenses	60,508	(127,923)	92,111
Other current liabilities	2,313	7,461	(486)
Provision for long-term employee benefits	(56,290)	(49,850)	(43,296)
Cash flows from operating activities	6,084,401	6,014,224	4,815,825
Cash paid for income tax expense	(841,021)	(840,580)	(828,416)
Net cash flows from operating activities	5,243,380	5,173,644	3,987,409

BUMRUNGRAD HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
CASH FLOW STATEMENTS
FOR THE YEARS ENDED 31 DECEMBER

	Unit: Thousand Baht		
	2017	2016	2015
Cash flows from investing activities			
(Increase) decrease in short-term investments	(4,274,589)	782,500	(383,800)
Acquisition of investments in an associate	(1,670)	-	-
Cash receipt from share capital reduction and liquidation of an associate	-	-	598
Acquisition of property, plant and equipment and payment of construction and medical equipment payables	(1,411,643)	(2,223,852)	(1,498,237)
Acquisition of computer software	(255,810)	(229,116)	(42,620)
Proceeds from sales of equipment	4,059	931	1,233
Interest income	72,057	113,304	137,949
Net cash flows used in investing activities	(5,867,596)	(1,556,233)	(1,784,877)
Cash flows from financing activities			
Increase in long-term loan from an unrelated party	-	19,072	-
Repayment of long-term debenture	-	(1,500,000)	-
Interest paid for long-term debentures	(170,150)	(232,736)	(232,100)
Dividend paid	(1,858,665)	(1,750,021)	(1,568,081)
Interest paid for convertible bonds treated as equity securities	(32,500)	(32,500)	(32,500)
Net cash flows used in financing activities	(2,061,315)	(3,496,185)	(1,832,681)
Decrease (increase) in translation adjustment	1,807	(21,225)	8,596
Net increase in cash and cash equivalents	(2,683,724)	100,001	378,447
Cash and cash equivalents at beginning of year	5,154,161	5,054,160	4,675,713
Cash and cash equivalents at end of year	2,470,437	5,154,161	5,054,160

**BUMRUNGRAD HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FINANCIAL RATIO SUMMARY**

<i>Consolidated</i>	2017	2016	2015
<u>Liquidity Ratios</u>			
Liquidity ratio (times)	2.9	3.7	2.5
Quick ratio (times)	1.2	2.9	1.8
Cash ratio (times)	1.8	1.6	1.3
Accounts Receivables Turnover (times)	9.3	8.2	8.7
Average Collection Period (days)	38.7	43.8	41.4
Inventory Turnover (times)	31.1	31.0	32.4
Sales Period (days)	11.6	11.6	11.1
Accounts Payable Turnover (times)	12.9	12.9	12.9
Payment Period (days)	28.0	28.0	27.9
Cash Cycle (days)	22.3	27.5	24.6
<u>Profitability Ratios</u>			
Gross Margin (%)	47.5	46.2	44.7
EBITDA Margin (%)	32.7	31.2	30.0
Operation Margin (%)	26.2	24.9	24.1
Cash to operating profit (%)	108.5	115.5	93.0
EBT Margin (%)	25.8	24.1	23.7
Net Margin (%)	21.3	20.0	19.1
Return on equity (%)	25.0	26.0	28.2
<u>Efficiency Ratio</u>			
Return on assets (%)	17.6	17.0	17.0
Return on fixed assets (%)	44.1	43.2	43.9
Asset turnover (times)	0.8	0.9	0.9
<u>Financial Policy Ratio</u>			
Total Liabilities to Equity (times)	0.4	0.4	0.6
Debt to Equity (times)	0.2	0.3	0.4
Net Debt to Equity (times)	0.1	(0.1)	0.0
Interest Coverage Ratio (times)	34.2	23.4	22.1
Debt service coverage ratio (CASH BASIS) (times)	22.3	17.6	15.1

**BUMRUNGRAD HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FINANCIAL RATIO SUMMARY**

<i>Consolidated</i>	2017	2016	2015
<u>Baht per share</u>			
Par Value	1.0	1.0	1.0
Book Value Per Share	22.9	20.3	18.0
Book Value Per Share - Fully Diluted	19.3	17.1	15.1
Earnings Per Share	5.4	5.0	4.7
Earnings Per Share - Fully Diluted	4.6	4.2	4.0
Dividend per share	2.7	2.5	2.4
<u>Growth ratios</u>			
Sales from hospital operations (%)	2.4	1.4	13.0
Cost of goods sold (%)	0.1	(1.3)	11.3
Administrative expenses (%)	(0.7)	2.4	8.6
EBITDA (%)	7.4	5.3	18.1
Operating profit (%)	8.0	4.4	23.5
Net profit (%)	8.8	5.5	25.8
Total assets (%)	10.1	0.2	11.2

14. **Management Discussion and Analysis**

Total revenues for 2017 increased to Baht 18,527 million, or 2.2% more than Baht 18,126 million in 2016. Net profit rose 8.8% to Baht 3,944 million in 2017 from Baht 3,626 million in 2016, with Net profit margin at 21.3% in 2017 compared to 20.0% in 2016.

Details of the management discussion and analysis are as follows.

14.1 **Income Statement**

The Company reported Revenues from hospital operations of Baht 18,279 million, a 2.4% improvement year-over-year from Baht 17,851 million in 2016. This was mostly due to the increase in revenues from both Thai and non-Thai patients by 2.3% and 3.1%, respectively. As a result, the revenue contribution from Thai patients in 2017 was 35.6% and from non-Thai patients was 64.4%, compared with 35.8% and 64.2%, respectively, for 2016.

The Company reported Cost of hospital operations (including Depreciation and amortization) of Baht 10,460 million for 2017, or 0.5% more year-over-year from Baht 10,410 million in 2016. This represents a favorable change when compared to the 2.4% growth in Revenues from hospital operations, and contributed to a reduction in the percentage of cost to Revenues from hospital operations to 57.2% in 2017 compared with 58.3% in 2016. Administrative expenses (including Depreciation and amortization) were Baht 3,129 million in 2017, or 0.1% more than Baht 3,125 million in 2016, with a decrease to 17.1% in 2017 from 17.5% in 2016 as a percentage to Revenues from hospital operations. EBITDA increased by 7.4% year-over-year to Baht 6,031 million in 2017 from Baht 5,616 million in 2016, with an EBITDA margin of 32.7% in 2017 compared to 31.2% in 2016.

Ongoing capital spending contributed to higher 2017 Depreciation and amortization of Baht 1,206 million from Baht 1,139 million in 2016.

Corporate income tax of Baht 841 million in 2017 was higher than Baht 774 million in 2016. The variance is mostly due to the increase in taxable operating profit, offset by increased tax benefits related to training expense and CAPEX spending.

Basic EPS for 2017 of Baht 5.41 was 8.8% more than Baht 4.98 in 2016, while 2017 Diluted EPS increased at the same rate to Baht 4.55 from Baht 4.18 in 2016.

Income statements Unit: Million Baht	2017	2016	Change
Revenues from Hospital Operations	18,279	17,851	2.4%
Total Revenues	18,527	18,126	2.2%
EBITDA	6,031	5,616	7.4%
Net Profit	3,944	3,626	8.8%
<i>EBITDA Margin</i>	<i>32.7%</i>	<i>31.2%</i>	
<i>Net Profit Margin</i>	<i>21.3%</i>	<i>20.0%</i>	
EPS Unit: Baht	2017	2016	Change
EPS – Basic	5.41	4.98	8.8%
EPS – Fully Diluted	4.55	4.18	8.8%

14.2 Statement of Financial Position

As at 31 December 2017, the Company reported Total current assets of Baht 10,550 million, an increase from Baht 8,803 million as at 31 December 2016. The variance is mostly due to a net increase of Baht 1,591 million in Cash, Cash equivalents, and Short-term investments, due to Baht 5,243 million increase in cash from operations, offset with Baht 1,859 million dividend payment, Baht 1,667 million capital spending in 2017 and Baht 170 million interest paid for long-term debentures. Trade receivables were increased by Baht 105 million, or 6.3%, to Baht 1,787 million as at 31 December 2017 from Baht 1,682 million as at 31 December 2016. The collection period improved to 38.7 days as at 31 December 2017 from 43.8 days as at 31 December 2016, due largely to timing differences associated with collections on certain Middle East accounts.

Total non-current assets increased to Baht 12,934 million as at 31 December 2017 from Baht 12,530 million as at 31 December 2016, mostly due to an increase in Property, plant and equipment and Intangible assets, mostly associated with to IT software.

Total current liabilities were Baht 3,647 million as at 31 December 2017, an increase from Baht 2,358 million as at 31 December 2016. The variance was mostly due to Baht 999 million Current portion of long-term debentures due December 2018 and Baht 188 million Short-term loan from and interest payable to a related party associated with the BIL liquidation.

Non-current liabilities were Baht 3,132 million as at 31 December 2017, a decrease from Baht 4,187 million as at 31 December 2016. The change was primarily from Baht 999 million Current portion of long-term debentures reclassified as Current liabilities.

The Company's Interest coverage ratio improved to 34.2x in 2017 from 23.4x in 2016, due to higher EBITDA in 2017 compared to 2016 and less interest expense associated with the Baht 1,500 million repayment of the Series 1 debentures in December 2016. Interest expense decreased by Baht 27 million and Baht 25 million in 2017 and 2016, respectively, for capitalized interest associated with the campus expansion project.

Total shareholders' equity grew to Baht 16,705 million as at 31 December 2017 from Baht 14,788 million as at 31 December 2016. This increase resulted mostly from the Company's 2017 Net profit of Baht 3,944 million, offset with Baht 1,861 million dividend payment. Average return on assets (ROA) increased to 17.6% in 2017 from 17.0% in 2016. Average return on equity (ROE) was 25.0% in 2017, compared to 26.0% in 2016.

Unit: Million Baht	31-Dec-17	31-Dec-16	Change
Total Assets	23,484	21,333	10.1%
Total Liabilities	6,779	6,545	3.6%
Total Shareholders' Equity	16,705	14,788	13.0%
	2017	2016	
Interest Coverage Ratio (x)	34.2*	23.4*	
Average Collection Period (days)	38.7	43.8	
Average Inventory Period (days)	11.6	11.6	
Average Payables Period (days)	28.0	28.0	
Net Debt to Equity (x)	0.1	(0.1)	
Average Return on Assets (%)	17.6%	17.0%	
Average Return on Equity (%)	25.0%	26.0%	

* After adding back the 2017 and 2016 capitalized interest expense related to the campus expansion.

14.3 Liquidity

The Company's Net cash flows from operating activities in 2017 were Baht 5,243 million, compared to Baht 5,174 million in 2016. This increase was mainly due to Baht 354 million additional cash from operations, offset with Baht 284 million less in working capital, mostly related to Baht 664 million more in Trade and other receivables offset with Baht 188 million more in accrued expenses and Baht 145 million more in accrued physicians' fees. Net cash flows used in investment activities were Baht 5,868 million in 2017, compared to Baht 1,556 million in 2016. This variance was mainly due to Baht 5,057 million change between Short-term investments and Cash and cash equivalents. The Company reported Net cash flows used in financing activities of Baht 2,061 million in 2017, compared to Baht 3,496 million in 2016, mostly as a result of the Baht 1,500 million repayment of the Series1 debenture in December 2016. As a result of the above, Cash and cash equivalents was Baht 2,470 million as at 31 December 2017, compared to Baht 5,154 million as at 31 December 2016.

The Company's Liquidity ratio as at 31 December 2017 dropped to 2.9x from 3.7x as at 31 December 2016, due to Baht 999 million Current portion of long-term debentures that have been reclassified as Current liabilities since they will be paid in December 2018. The Quick ratio as at 31 December 2017 decreased to 1.2x from 2.9x as at 31 December 2016, mostly as a result of Baht 4,275 million increase in Short-term investments.

Unit: Million Baht	2017	2016
Cash Flow from Operating Activities	5,243	5,174
Cash Flow used in Investing Activities	(5,868)	(1,556)
Cash Flow used in Financing Activities	(2,061)	(3,496)
Net increase (decrease) in cash and cash equivalents	(2,684)	100
Cash and cash Equivalents at end of year	2,470	5,154
	31-Dec-17	31-Dec-16
Liquidity Ratio (x)	2.9	3.7
Quick Ratio (x)	1.2	2.9

14.4 Contractual Obligations

(Unit: Million Baht)

	As at 31 December 2017						Effective interest rate (% per annum)
	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	
	Within 1 year	1-5 years	Over 5 years				
Long-term loan from and interest payable to a related party	176	-	-	-	11	187	1.38
Long-term loan from and interest payable to an unrelated party	-	19	-	-	-	19	1.38
Long-term debentures	998	2,490	-	-	-	3,488	4.59 and 4.97
	1,174	2,509	-	-	11	3,694	

Under the terms and conditions of the debentures, the Company has to comply with certain restrictions and maintain certain financial ratios which include:

- a) maintenance of a net debt to equity ratio not exceeding 1.75:1
- b) maintenance of a net debt to EBITDA ratio not exceeding 3.25:1

14.5 Audit Fees

For the year 2017, the Company and subsidiaries have paid audit fees in the amount of Baht 4.00 million. The Company's 2017 audit fees have been approved by the shareholders' meeting.